

A DEMOCRATIC VICTORY: DEMOCRATS ARE ON VERGE OF GETTING UNEMPLOYMENT BENEFITS EXTENDED WITHOUT GOP CORPORATE SPECIAL-INTEREST TAX BREAKS

For Last Four Months, GOP Has Held Extended Unemployment Benefits Hostage to Massive, Corporate Special-Interest Tax Breaks

- **As Described Below, For The Last Four Months, The House GOP Leadership Has Held Extended Unemployment Benefits Hostage – Attaching It Three Times in Recent Weeks to Massive, Corporate Special-Interest Tax Cuts.** Instead of getting extended unemployment benefits to the millions of workers who have lost their jobs in recent months, the House GOP leadership has been more interested in its agenda of tax cuts for corporate special-interests (the same corporate special-interests that fill its campaign coffers.) As described below, the House GOP leadership has held extended unemployment benefits hostage – attaching it three times in recent weeks to massive, corporate special-interest tax breaks.
- **On October 24, 2001, The House GOP Leadership Rammed Through Its First “Stimulus” Bill, With Its \$160 Billion Cost Mostly in Special-Interest Tax Cuts.** Instead of passing extended unemployment benefits, on October 24, 2001, the House GOP leadership pushed through its first “stimulus” bill, with its \$160 billion cost mostly in special-interest tax cuts. This bill provided virtually nothing for workers, while providing massive tax breaks to businesses. The business tax breaks in the bill included a repeal of the Corporate Alternative Minimum Tax (AMT), as well as providing immediate tax rebates to corporations for AMT payments they’ve made over the last 15 years!! The tax breaks also included expanding and making permanent the tax break for companies with foreign financing income. Its corporate AMT refund provisions would have meant, for example, a total of \$7.4 billion in instant tax rebates to 16 of the largest corporations in America, including an instant tax rebate of \$254 million to Enron.
- **On December 20, 2001, The House GOP Leadership Rammed Through Its Second “Stimulus” Bill, With Its \$157 Billion Cost Once Again Mostly in Special-Interest Tax Cuts.** Once again, on December 20, 2001, instead of passing extended unemployment benefits, the House GOP leadership pushed through its second “stimulus” bill, with its \$157 billion cost mostly in special-interest tax cuts. This bill added a few more worker relief provisions than in the first stimulus bill, but still included tens of billions of dollars of corporate special-interest tax breaks, including the partial, permanent repeal of the Corporate Alternative Minimum Tax (although this time not including its retroactive AMT rebates to corporations) and expanding and making permanent the tax break for companies with foreign financing income.
- **On February 14, 2002, The House GOP Leadership Rammed Through Its Third “Stimulus” Bill, With Its \$157 Billion Cost Once Again Mostly in Special-Interest Tax Cuts.** Then, once again, on February 14, 2002, instead of passing extended unemployment benefits, the House GOP leadership pushed through its third “stimulus” bill – which was very, very similar to the bill passed on December 20th. Once again, instead of providing real relief for workers, the bill was crammed with corporate special-interest tax breaks.

- **Finally, A Democratic Victory: On March 7, 2002, The House GOP Leadership Brings A Relatively Clean Extended Unemployment Benefits Bill to Floor (With Only Certain Consensus Pro-Growth Tax Incentives).** Finally, after months of effort, there has been a Democratic victory when the House GOP leadership brought to the Floor a relatively clean extended unemployment benefits bill – with only certain pro-growth tax incentives on which there has been bipartisan consensus (including such items as bonus depreciation.)

March 11th Marks The Six-Month Anniversary of September 11th Terrorist Attacks – With Hundreds of Thousands of Workers Running Out of Their Regular Unemployment Benefits

- **Typically, Regular Unemployment Benefits Only Last for Six Months.** March 11th marks the six-month anniversary of the September 11th terrorist attacks. Typically, across the country, regular unemployment benefits only last for six months. That means that for workers who lost their jobs immediately after the September 11th terrorist attacks and thereafter it is beginning on March 11th that their regular unemployment benefits will begin to run out – making the need for extended unemployment benefits even more urgent than before.
- **Number of Workers Who Have Already Exhausted Their UI Benefits Since September 11th Exceeds 1.3 Million.** The national recession actually began in March 2001. According to a study by the Center on Budget and Policy Priorities, Labor Department data show that the number of workers who have already exhausted their regular unemployment benefits since September 11th now exceeds 1.3 million. Specifically, the data show that 1.3 million workers exhausted their benefits between September 11th and January 31st – and more have exhausted their benefits since then (with the exact data for February still unavailable). Under the bill being passed by the House on March 7, many of these 1.3 million workers – unless they have been able to find new employment – will qualify for 13 weeks of federally-funded extended unemployment benefits.
- **Furthermore, 11,000 Workers A Day Are Still Exhausting Their UI Benefits.** Furthermore, the Center on Budget and Policy Priorities has recently projected that 2.1 million workers will exhaust their regular unemployment benefits in the first six months of 2002 – at a pace of about 80,000 a week or 11,000 a day. Many of these workers – unless they are able to find new employment – will also need the extended benefits being provided by the bill being passed by the House on March 7.
- **Number of Workers Who Exhausted Their UI Benefits in January Was Highest on Record.** Just-released Labor Department data for January 2002 show that the number of workers exhausting their regular unemployment benefits without receiving extended benefits climbed to 356,000 people. This is the largest number of people exhausting their regular benefits without receiving extended benefits in any single month on record – with the data first becoming available in 1973!
- **Extended Unemployment Benefits Are Particularly Needed Because A Number of Industries Are Still Staggering from September 11th Attacks.** There are a number of industries still staggering from the September 11th terrorist attacks. For example, the AFL-CIO estimates that there have been about 140,000 jobs lost in the hospitality, tourism and entertainment industries since September 11th. These industries remain suppressed. There was a sharp fall-off in these industries after September 11th – and it is, for example, workers in these industries whose unemployment benefits are now beginning to expire.